



# Waveland Colorado Ventures, LLC

## *Fact Sheet*

### **2002 Pool Allocation (\$5,514,441):**

- Statewide Allocation: \$4,043,853
- Rural Allocation: \$1,470,588

### **Investment Strategy:**

- **Type of Financing Available:**
  - Senior Debt
  - Subordinate and Mezzanine Debt with Warrants
  - Preferred Stock
  - Common Stock
- **Stage of Investment:** Waveland Colorado Ventures, LLC (“WCV”) will focus on those companies that have successfully completed their initial seed financing and have validated the concept of their business plan. Our team has extensive experience in providing customized debt and equity solutions for the purpose of:
  - Equipment financing
  - Working capital
  - Leveraged buy outs
  - Generational succession within family businesses
  - Organic or acquisition related growth

In certain circumstances (with particular emphasis given to the strength and related domain experience of the management team) WCV will consider participating in seed round financing.

### **Investment Criteria:**

- **Typical Size of Investment:**
  - \$100,000 to \$500,000
- **Underwriting Considerations:**
  - Quality and depth of management team and their ability to execute their corporate vision:
    - Relevant and successful domain experience
    - Significant equity ownership
  - Products or ideas that address dynamic markets with significant growth potential
  - A leading edge or breakthrough product or service
  - Compelling market opportunities and high margins
  - Definable exit strategy (refinancing or recapitalization)

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- Debt financings will focus on repayment predicated on:
  - Debt Service Coverage Ratio
  - Collateral – Loan to Value
  - Pro-forma cash flow projections
  - Covenants
- Equity Financing will focus on the ability of the company to achieve a liquidity event which may include the following:
  - Merger or acquisition
  - Refinancing or re-capitalization
  - Initial public offering
  - Reverse merger
- Non-Preferred Businesses/Industries
  - Professional Services (Legal/Accounting)
  - Real Estate
  - Restaurants
  - Bars
  - Convenience Stores

### **Investment/Due Diligence Process:**

Our due diligence process is designed to provide a timely response to the company seeking investment while understanding the importance of in-depth and appropriately scoped credit review. In most instances upon a review of the business plan we will be able to determine our level of interest and our ability to provide the type of financing required. This initial review should take no longer than 5 to 10 business days.

- Receipt of business plan of the company seeking investment. Particular focus should be paid to the use of proceeds.
- Credit and background analysis:
  - Financial Statements - Actual and Pro-forma
  - Tax Returns
  - Schedules of assets and liabilities
  - Budgets
  - Organizational documents
  - Marketing materials
  - Customer and vendor lists
  - Competitive assessment and industry review
- Third party validation and legal review

### **The Waveland Colorado Ventures, LLC Team**

The local WCV principals have lived in Colorado, and been members of the Colorado business community for over 50 combined years.

- **Gary Mosko** served as a Vice-President of Southwest State Bank in Denver, Colorado beginning in 1974 and became President in 1983. Under his leadership the bank grew from \$30 million in assets to over \$120 million with corresponding growth in the loan portfolio. In 1996, Southwest State Bank was sold to Vectra Bank, which was subsequently acquired by Zions Bank Colorado. Prior to his

association with WCV Gary was the head of corporate development for Vectra Bank in Colorado.

- **Earnest Mathis** founded Inverness Investments, Inc. in 1987. Located in Littleton, Colorado, Inverness has focused on providing investment capital and liquidity vehicles to small and mid-cap companies. Earnest has been a member of the Society of Security Analysts since 1990, and in 1997 participated in Governor Owens' trade mission to China.